REMARKS

Claims 1-4 are pending in this application, of which claims 1-3 have been amended and claim 4 is newly-added.

Claims 1 and 3 stand rejected under 35 U.S.C. § 102(b) as anticipated by U.S. Patent Publication U.S. 2001/0004269 to Shibata et al. (hereafter, "Shibata et al.").

Applicant respectfully traverses this rejection.

Shibata et al. discloses a portable terminal comprising a main unit having a microphone, a key operation unit, and a radio sending/receiving function of image and sound, a rotation axial unit having a video camera and an operation dial, an image display unit with a touch panel capable of displaying an image taken by the video camera, a received image and a screen for input operation, and a flip unit having the image display unit, a CCD camera, a speaker and an operation button. The rotation axial unit further includes an opening/shutting axis for connecting the main unit and the flip unit in a mutually rotatable way and a rotation axis for connecting the flip unit in a way of rotating the flip unit across the above rotation in the horizontal direction, and when the flip unit is opened and rotated across, it is used as a video camera with a monitor.

FIG. 1 of Shibata et al. is very similar to Prior Art FIG. 16 of the instant application.

The portable terminal of **Shibata et al.** includes two rotation axes for rotating a flip unit, but does not include any slide mechanism for slidingly moving the flip unit along a plane parallel to the screen, as in the present invention.

Accordingly, claim 1 has been amended to recite this distinction, and the 35 U.S.C. § 102(b) rejection should be withdrawn.

Shibata et al. also fails to disclose a pivot mechanism including a pivoting axis 5 arranged at a corner of the second case having the display, as shown in FIG. 2 of the instant application.

Accordingly, new claim 4 has been added to recite this distinction.

The Examiner has indicated that claim 2 would be allowable if rewritten in independent form. Applicant respectfully defers this action until a FINAL Office Action, if any, is received.

In view of the aforementioned amendments and accompanying remarks, claims 1-4, as amended, are in condition for allowance, which action, at an early date, is requested.

If, for any reason, it is felt that this application is not now in condition for allowance, the Examiner is requested to contact Applicant's undersigned attorney at the telephone number indicated below to arrange for an interview to expedite the disposition of this case.

U.S. Patent Application Serial No. 10/743,411 Response to Office Action dated July 18, 2006

In the event that this paper is not timely filed, Applicant respectfully petitions for an appropriate extension of time. Please charge any fees for such an extension of time and any other fees which may be due with respect to this paper, to Deposit Account No. 01-2340.

Respectfully submitted,

ARMSTRONG, KRATZ, QUINTOS,

HANSON & BROOKS, LLP

William L. Brooks Attorney for Applicant

Reg. No. 34,129

WLB/ak Atty. Docket No. 031329 Suite 1000 1725 K Street, N.W.

Washington, D.C. 20006 (202) 659-2930

23850 PATENT TRADEMARK OFFICE

Substitute Abstract of the Disclosure Enclosure:

Q:\HOME\AKERR\WLB\03\031329\amendment sept 2006